

Paying, Collecting, And Appealing a Conciliation Court Judgment

The information contained in this document is not intended as legal advice but as a general guide to you to explain the legal process. If you do not understand any of these procedures, consult an attorney. This office cannot give legal advice.

How do I pay the judgment?

The court recommends that payment be made directly to the creditor (the party you owe money to). Remember judgment records are public and credit bureaus routinely take information from them. If your judgment is not paid before it becomes final, it may have an adverse affect on your credit rating.

When you pay the creditor, obtain a statement of payment called a SATISFACTION OF JUDGMENT from the party you paid and file it with the court. If this is not done, your record will show an unsatisfied judgment, which may affect your credit rating.

How do I collect the judgment?

Although a case was decided in your favor, it is not always easy to collect a judgment. You cannot collect assets that a person or business does not have. The collection process will be worthwhile only if you can locate collectable assets. Judgments are enforceable for 10 years.

Conciliation court is not a collection agency. You can, however, try to collect the judgment yourself if it has not been paid by the date indicated on the judgment notice, and if an appeal has not been filed. Here are a few tips on how you can locate the debtor and/or their assets:

- You may be able to locate the debtor's bank by looking at any canceled checks that you might have written to the debtor.
- You can find out whether the debtor has a motor vehicle registered under his/her name, or the name of the lender that the debtor is doing business with, by submitting a record request form to the Minnesota Driver and Vehicle Services. The form is available at DVS offices or on the web at: <http://www.dps.state.mn.us/dvs/PDFForms/DVSFormFrame.htm>.

When your judgment is final and the debtor has not paid you, you may begin the collection process by following these steps:

1. Go to the courthouse, or request by mail an Affidavit of Identification, to transcribe your judgment to District Court. Upon completion of the Affidavit, submit it to the court administrator's office along with the required filing fee. Checks should be made out to the "Court Administrator." Your judgment will then be transcribed to District Court. This creates a lien against real estate owned by the debtor in this county.
2. Order a Writ of Execution if you know where the debtor banks or where the debtor works. There will be a fee charged for the Writ. If you do not know either of these you are not ready for an Execution. The Execution must be issued to the county where the bank or the employer is located. The court administrator's office will mail the Execution to you and you are to take it to the Sheriff of that county for service. The sheriff will charge a fee.
3. If you do not know where the debtor works or banks, you may file a Request for Order for Disclosure. There is a filing fee for each involved debtor's name. This office will issue an Order for Disclosure and mail it to the debtor along with a Financial Disclosure form. The debtor is allowed sixteen (16) days to complete this form and forward it to you. It is your responsibility to supply the court with a current address for the debtor.

If a completed Financial Disclosure form is received from the debtor, you can then decide what options are available for collection.

If no answer is received, you can complete an Affidavit in Support of an Order to Show Cause, and schedule a court hearing before a judge.

When the hearing is scheduled, this office will then issue an Order to Show Cause. It is your responsibility to have the debtor served with the order. The Sheriff or any party who has no financial interest in the judgment can serve this order. It must be served on the debtor personally. **It cannot be left at his/her residence with anyone else.**

The order to show cause requires the debtor as well as the creditor to appear at the court hearing. At the hearing, the debtor will be instructed to complete the Financial Disclosure form or give the judge a valid reason for not doing so. If the debtor fails to appear at this hearing, the judge may issue an order for a Writ of Attachment. When the Writ of Attachment is issued, you will be required to furnish a physical description of the debtor.

4. If you wish to have the cost of collection added to your judgment after an unsuccessful attempt to collect, you may need to file a notarized affidavit stating the costs and requesting those costs be added to your judgment. Please attach a copy of your receipt from the Sheriff to your affidavit.
5. If the debtor pays the judgment in full it is your obligation to provide the debtor with a Satisfaction of Judgment (MSA 548.15). This form can be obtained through this office or at any legal stationery store. A satisfaction of judgment must be filed with the court and a filing fee must be paid. This must be done within 10 days if paid in cash, or within 30 days otherwise.
6. If the judgment is for property damage sustained in an auto accident with an uninsured driver, you may wish to ask the Commissioner of Public Safety to suspend the driving privileges of the driver. Conciliation court staff can help you do this 30 days after your judgment becomes final. There is a fee for the certified copy that must be sent to DPS to suspend driving privileges.

If the sheriff or attorney is unable to collect, or if you have determined that there are no assets on which you can collect, it does not mean you will never collect your judgment. A judgment in conciliation court is valid for 10 years and may be executed on at any time during those 10 years. This is important because the debtor may, at some future time, have collectable assets. The fact that an unpaid judgment may affect the debtor's credit rating could result in voluntary payment at a later time.

How do I appeal the judgment?

Appeal procedures are more complex than those for the original filing. Although it is not required, it is suggested that an attorney represent the appealing party. Court personnel are not attorneys and cannot practice law so they cannot assist you in preparing your appeal.

Any party who appeared and is dissatisfied with the judgment of conciliation court may appeal to District Court. To do this, a Demand for Removal, an Affidavit of Good Faith, and an Affidavit of Service must be filed with the court administrator before the final judgment date. Forms are available from the conciliation court. An additional district court filing fee and jury fee is required.

If you did not appear and a default judgment was entered, you will have to get the judgment vacated. Read your judgment notice carefully.

What happens upon an appeal?

If the matter is appealed to the District Court, a completely new court trial will take place before a different judgment. A jury may hear trial if a jury demand is filed and fee is paid. Attorneys may represent all parties. You should not rely on anything that was said or that happened at the Conciliation Court trial. Again, you should be prepared to present your case, have your witnesses ready to testify, and have all your other evidence available.

If you appeal to the District Court from the conciliation court judgment and do not win, you may be required to pay the other party court ordered costs.

If you do not understand these procedures, contact an attorney. The conciliation court employees are trained to assist you with procedures but they are forbidden to give legal advice. Conciliation court is not a collection agency.